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Comparable Models For The Asheville Civic Center



**Asheville Civic Center Task Force
January 4, 2006**

Additional Information on Comparable Facilities

Governance Models

Operating Health

Taxes in NC

Governance Models

Policy Making and Advisory Commissions

- Usually appointed by City Council, County Commission or combination
- Oversee marketing, review finances, plan for future, etc

Examples: Asheville, Fayetteville, Raleigh,
Augusta, Wilmington (anticipated)

Governance Models

Boards and Authorities with Fiscal Responsibility

- Generally oversee operations, maintenance and have authority to enter into contracts, equip the facility, etc.
- May or may not be the owners of the facility

Examples: Spartanburg Memorial Auditorium,
Bi-Lo Center, Hickory Convention Center

Governance Models

Non-profit Boards with Fiscal Responsibility

- Act as owners of facility
- Fund raise for programs as well as operating health of facility

Examples: Peace Center, Carson Center
(Paducah, KY) RiverCenter (Columbus, GA)

Operational Health

- All the venues surveyed operate at a deficit.
- Raleigh uses two significant sources of non-operating funding to both fund capital projects and deficit needs. These are a food & beverage tax and an occupancy tax. Their estimate of the complex's deficit is \$2.0 million per year.
- Charleston also has a wide variety of non-operating funding sources. Their sources include a food & beverage tax, a local options tax, a state admissions tax and an occupancy tax. They said the venue is subsidized approximately \$750,000 per year.

Operational Health

- Roanoke said they are not as busy as Asheville in event terms. They receive \$1.1 million from the city's general fund and another \$500,000 from an admissions tax.
- The number one source of revenues in Hickory is their occupancy tax. This tax totaled \$996,000 out of \$1.5 million dollars in total revenues for the facility.
- Spartanburg has been losing business to both the Peace Center and the Pepsi Pavilion at the Bi-Lo Center. This is in spite of a recent and significant facility upgrade that cost \$12.0 million dollars. They receive funding from both an occupancy tax and food & beverage tax. Their deficit is approximately \$600,000 per year.

Operational Health

- The Savannah Civic Center is very similar to the Asheville Civic Center. They receive \$1.0 annually from a rental car tax. In addition, there are years when the city must contribute an additional \$500,000 to cover their operating deficit.
- Greensboro's deficit is paid from city funds. It ranges from \$1.3 million up to \$2.0 million dollars per year.
- Fayetteville has both an occupancy tax and a food & beverage tax. The facility receives monies from both but the size of their deficit was not made known.

Operational Health

- The Asheville Civic Center's deficit is made up from a transfer from the general fund of the city. Last year it was \$250,000 with an additional \$100,000 being added for capital projects. So far, for the first six months of the current fiscal year, the venue is operating very close to break-even status.

Hotel Occupancy Tax Collections in Large NC Cities

Jurisdiction	Rate	2003-04 Collections	Uses
Mecklenburg	6%	\$ 16,707,195	4% - Convention Center 2% - CVB/TDA for marketing
Wake	6%	\$ 10,269,466	70% goes to Raleigh Convention Center & other capital projects
Durham County	6%	\$ 6,321,747	1% - Performing Arts Center 2% - CVB- Marketing 3% - City and County Gen. Fund
Forsyth County (Winston-Salem)	6%	\$ 3,248,632	City receives 1% or 1/6 \$250 K – Civic Center Balance – Marketing/Promotion CVB receives 4% - marketing
City of Greensboro	3%	\$ 3,195,768	80% to City - Coliseum Debt 20% to CVB - Marketing

Occupancy Tax Collections in NC Cities

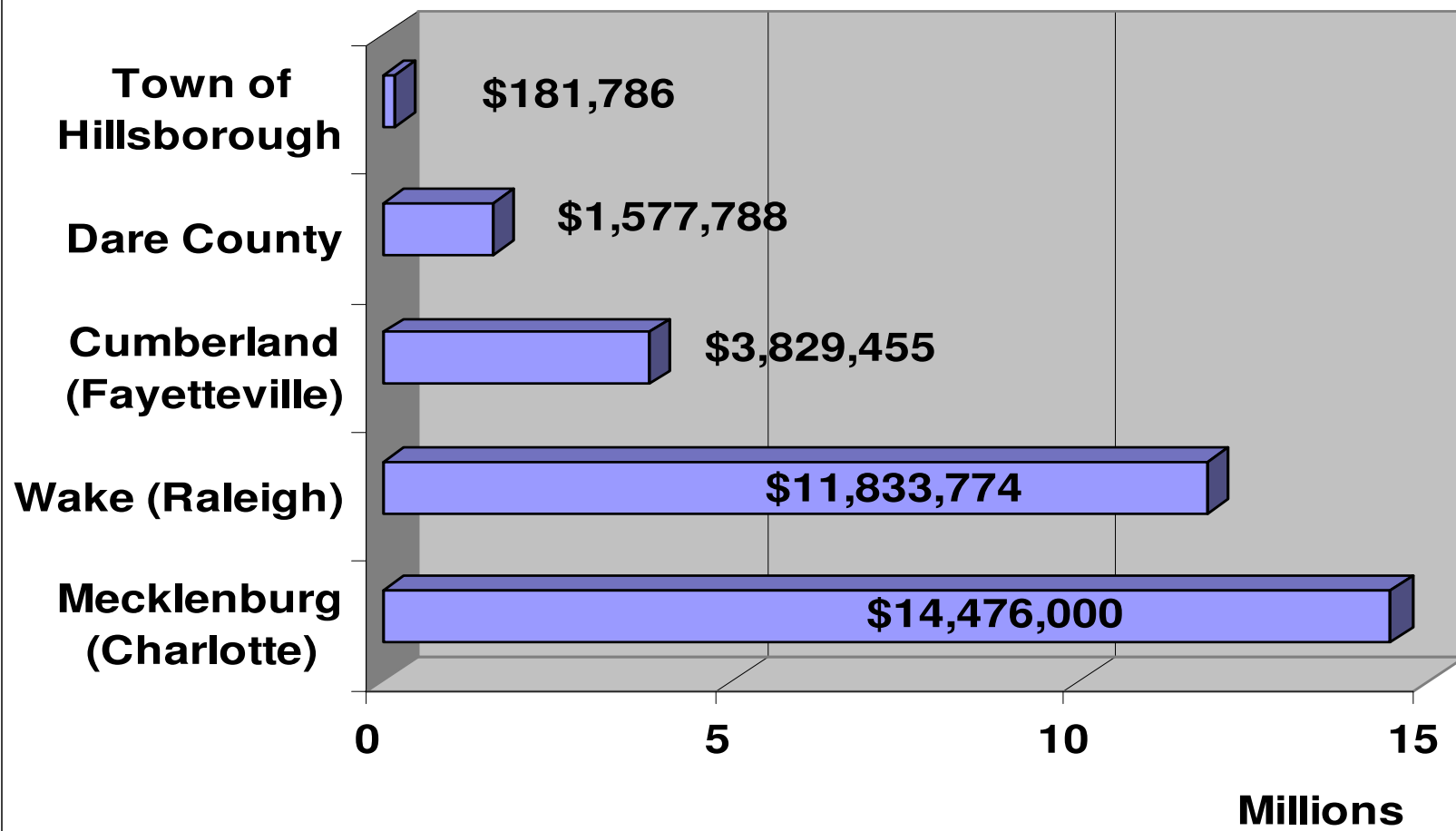
Jurisdiction	Rate	2003-04 Collections	Uses
City of Wilmington	3%	\$ 1,428,748	Future Convention Center
City of High Point	3%	\$ 1,199,621	Furniture Market Authority – both marketing and capital exp.
New Hanover	3%	\$ 3,021,143	Tourism and beach renourishment
Buncombe	4%	\$ 4,901,326	3% Marketing 1% Tourism Dev. Fund
Guilford	3%	\$ 4,023,965	\$500,000/yr on capital projects Balance - Marketing and Events
Cumberland	6%	\$ 2,320,556	1.5% Capital Improvements to Civic Center 4.5% - Marketing
Dare County	1%	\$ 2,605,195	Marketing and Tourism Development Grants

Food & Beverage Taxes

Cities And Counties With Authority To Levy A Tax On Prepared Foods And Beverages

- Mecklenburg/City of Charlotte
- Dare County
- Wake County
- Cumberland County
- Town of Hillsborough

Food and Beverage Taxes in North Carolina 2003-4



Food and Beverage Taxes

Jurisdiction	Tax Rate	2003-04 Collections	Distribution	Uses
Mecklenburg (Charlotte)	1%	\$ 14,476,000	City	Financing convention center
Wake (Raleigh)	1%	\$ 11,833,774	County/City	Various projects
Cumberland (Fayetteville)	1%	\$ 3,829,455	County Civic Center Commission	Financing & operating arena
Dare County	1%	\$ 1,577,788	Dare County Tourism Board	Marketing Tourism Grants
Town of Hillsborough	1%	\$ 181,786	Hillsborough Tourism Board	Tourism Development

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